(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) Government permits export of iron-ore with iron content upto 64% without canalization. While export of iron-ore with more than 64% iron content is canalized through MMTC Ltd., Government permits export of iron-ore fines with more than 64% iron content against licence by private mine owners/leaseholders.

(b) to (d) The existing iron-ore export policy regulates and promotes judicious use of iron-ore for domestic purpose and export of surplus quantity. Even after exporting iron ore surplus after meeting domestic demand there are still surpluse is left.

Production of iron ore is in excess of current domestic demand. The surplus iron-ore fines, produced during mining as well as sizing and, calibrating of lumpy-ore is being evacuated through exports as there is less demand for it from the domestic steel industry.

Progress of negotiations with ASEAN over FTA

2303. SHRIMATI SYEDA ANWARA TAIMUR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the progress of negotiations on the Free Trade Agreement with the ASEAN;

(b) whether any amicable solution has been reached over differences with the ASEAN on the tariff on palm oil; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) Negotiations for India-ASEAN Free Trade Agreement (FTA) are currently in progress on different parts of the proposed Agreement, including on Trade in Goods, Trade in services and Investments etc.

(b) and (c) India has offered a gradual reduction of tariff on Crude Palm Oil (CPO) to 50% level by 2018 and on Refined Palm Oil (RPO) to 60% level by 2018. The offer is under negotiation.

Export of iron-ore

2304. SHRI SITARAM YECHURY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Government are considering a proposal to allow the export of iron-ore;

(b) if so, whether this proposal has taken care of the requirements of indigenous industries needs including that of PSUs;

(c) whether Government is holding consultations with the stakeholders including the State Governments; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRl JAIRAM RAMESH): (a) Government permits export of iron-ore with iron content upto 64% without canalization. While export of iron ore with more than 64% iron content is canalized through MMTC Ltd., Government permits export of iron-ore fines with more than 64% iron content against licence by private mine owners/leaseholders.

(b) As per available information, India has sufficient resources of iron-ore. As on 1.4.2005 these resources are estimated at 25.25 billion tonnes, consisting of 14.63 billion tonnes of Haematite and 10.619 billion tonnes of Magnetite and they are continuing to increase. The production of iron-ore in india far exceeds the demand of the domestic steel industries and surplus iron-ore is exported.

(c) and (d) A Committee, constituted by the Cabinet Secretariat, examined the issue of restrictions on iron-ore export. The various stakeholders including State Governments were also consulted. Committee of Secretaries has also considered this issue and subsequently the matter was referred to a Group of Ministers (GoM). The GoM has considered the issue and has recommended that at present no restrictions or curbs are required to be imposed on export of iron-ore.

Subsidy for export of sugar

†2305. DR. MURLI MANOHAR JOSHI:
SHRI RAM JETHMALANI:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Government are providing subsidy for export of sugar because of the production of sugar being higher than the demand;

(b) if so, the details thereof;

(c) whether it is mandatory for Government to provide subsidy to sell Indian sugar in the international market due to production cost of sugar in the country being higher; and

(d) if so, the reaction of Government on this matter and the amount of subsidy provided to the sugar industry for export during the year 2005-06, 2006-07 and upto the month of June in 2007-08?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) to (b)The prices of non-levy sugar in the domestic as well as international market have declined considerably due to excess production of sugar in the country and in the world during 2006-07 sugar season. In order to help the sugar industry to liquidate the excess stock of sugar and to clear the cane price arrears of sugarcane

† Original notice of the question was received in Hindi.